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CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT

OVERBUILD CAUSING STIR IN HUNTSVILLE

TIME INC. EXPLAINS KU-BAND, OTHER STRATEGIES

A TOP SYNDICATOR POSITIONS FOR PUSH IN CABLE

UPBEAT SPEECHES CONTRAST WITH MOOD AT NAB

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CableVision

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LBS Communications is aggressively marketing programming for both pay and basic channels through a unit set up to deal exclusively with cable. The nation's largest barter syndicator is also looking for operator equity for its Shop Television Network, a joint venture with J.C. Penney.

MEDIA WATCH

Guarded optimism at NAB 32
Though broadcasters have lost their position of dominance and face increasing competition, the message from industry leaders at the NAB convention was that the industry is still healthy.

LAW AND REGULATION

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A cable industry white paper charges the movie studios with reducing competition through a series of acquisitions that amount to vertical integration of businesses.

BUSINESS AND FINANCE

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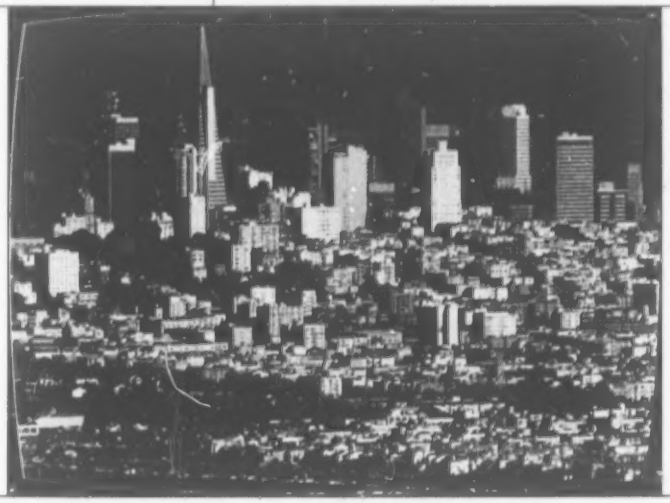
Strategies for financing cable system acquisitions and the effects of overbuild situations were discussed among representatives of the operator, brokerage and investment sectors in the conclusion of this two-part series.



COVER STORY

San Francisco system turnaround 36
Viacom faced an uphill battle in the Bay Area, but managed to increase subscribers by 45 percent since 1985 as a result of marketing campaigns and equipment upgrades.

Pay Per View Supply Chart

A listing of movies and events entering PPV distribution over the next two months.

May

Blue Velvet (5-1) — Source: Lorimar
MPAA Rating: R — Running Time: 120 mins
Cast: Kyle MacLaughlin, Isabella Rosellini, Dennis Hopper, Laura Dern

The Color of Money (5-28) — Source: Touchstone
MPAA Rating: R — Running Time: 120 mins
Cast: Paul Newman, Tom Cruise, Mary Elizabeth Mastrantonio

Deadly Friend (5-13) — Source: Warner Bros.
MPAA Rating: R — Running Time: 90 mins
Cast: Mathew Laborteaux, Kristy Swanson, Michael Sharrett

Eat and Run (5-20) — Source: HBO Enterprises
MPAA Rating: R — Running Time: 84 mins
Cast: Ron Silver, Sharon Schlarth

Jumping Jack Flash (5-21) — Source: 20th Century-Fox
MPAA Rating: R — Running Time: 105 mins
Cast: Whoopi Goldberg, Carol Kane

Let's Get Hairy (5-1) — Source: Tri-Star
MPAA Rating: R — Running Time: 88 mins
Cast: Robert Duvall, Gary Busey, Mark Harmon

One Crazy Summer (5-1) — Source: Warner Bros.
MPAA Rating: PG — Running Time: 93 mins
Cast: John Cusack, Demi Moore, Curtis Armstrong

Peggy Sue Got Married (5-1) — Source: Tri-Star
MPAA Rating: PG-13 — Running Time: 104 mins
Cast: Kathleen Turner, Nicholas Cage, Barry Miller

A Place for Weeping (5-20) — Source: HBO Enterprises
MPAA Rating: PG — Running Time: 88 mins
Cast: James Whyle, Charles Comyn, Norman Coombes

A Room with a View (5-1) — Source: Paramount
MPAA Rating: NR — Running Time: 115 mins
Cast: Maggie Smith, Denholm Elliot, Judi Dench

Solar Babies (5-28) — Source: MGM/UA
MPAA Rating: PG-13 — Running Time: 94 mins
Cast: Richard Jordah, Jamie Gertz, Jason Patric

Top Gun (5-1) — Source: Paramount
MPAA Rating: PG — Running Time: 110 mins
Cast: Tom Cruise, Kelly McGillis, Val Kilmer

June

Busted Up (6-1) — Source: Universal
MPAA Rating: R — Running Time: 92 mins
Cast: Irene Cara, Paul Coufos, Tom Rosato

Children of a Lesser God (6-1) — Source: Paramount
MPAA Rating: R* — Running Time: 110 mins
Cast: William Hurt, Marlene Matlin

Horn of the Assassin (6-4) — Source: MGM Concorde
MPAA Rating: R — Running Time: 96 mins
Cast: Eric Estrada, Robert Vaughn

The Morning After (6-25) — Source: Lorimar
MPAA Rating: R — Running Time: 103 mins
Cast: Jane Fonda, Jeff Bridges, Raul Julia

Something Wild (6-24) — Source: Orion
MPAA Rating: R — Running Time: 114 mins
Cast: Melanie Griffith, Jeff Daniels, Ray Liotta

Wanted Dead or Alive (6-11) — Source: HBO Enterprises
MPAA Rating: R — Running Time: 104 mins
Cast: Rutger Hauer

Note: Running times are approximate.
NR indicates film not rated by MPAA.
* Unavailable at presstime.

Film information provided to International Thomson Communications Inc. by its distributors.

Pay Per View Services Profile

	LAUNCH	DELIVERY	ENCRYPTION	PROGRAMMING	SUBSCRIBERS
Cable Video Store	April 1, 1986	Satcom 4, tr. 16	VideoCipher II	All movies, 24 hours per day/30-60 titles per month	Facilities basis, currently serving 10 MSOs nationwide; 2,500 Impulse addressable subscribers
Private Ticket	July 1985	Standalone	None	Two and one-half hours nightly. One original title plus up to two licensed films edited for Playboy	Available in systems serving 185,000 subs; 130,000 addressable
Request Television	November 27, 1985	Galaxy I, tr. 12	VideoCipher II	Mix of four major motion pictures per week over 14-day cycle; special events	Available in systems serving 1 million subs; 2 million addressable
Telstar Channels	June 5, 1986	Interrum Standalone testing. Testing G-1, Starlink IV, on Telstar 303		Channels 1 & 2: two major motion pictures on a bi-weekly rotation. Channel 3: three major motion pictures per week, special events	Available in systems serving 74,000 subs; 11,500 addressable
Viewer's Choice	November 26, 1985	VC-1 Satcom 4R, tr. 5. VC-2: Galaxy I, tr. 16	VideoCipher II	One major motion picture per week, special events	Available in systems serving 2.6 million subs; 1.6 million addressable

CABLE STATS

Cable Industry Growth Chart

YEAR	TVHH	Homes Passed	Basic Subscribers	% of TVHH	Pay Subscribers	% of TVHH
1990E	93,900,000	81,783,000	50,706,000	54	32,959,000	35
1989E	92,800,000	79,109,000	48,256,000	52	30,883,000	33
1988E	91,000,000	75,833,000	45,500,000	50	28,665,000	32
1987E	89,300,000	72,460,000	42,725,000	48	26,022,000	29
1986	87,800,000	69,632,000	41,772,000	47	24,101,000	27
1985	86,304,000	64,571,000	36,120,000	42	21,672,000	25
1984	84,600,000	59,989,000	32,994,000	39	19,764,000	23
1983	83,500,000	53,641,000	30,300,000	36	17,877,000	21
1982	82,800,000	49,100,000	28,200,000	34	15,898,000	19
1981	80,700,000	44,000,000	22,596,000	28	11,804,000	15
1980	77,800,000	37,300,000	18,672,000	24	7,780,000	10
1979	76,300,000	32,700,000	16,023,000	21	5,341,000	7
1978	74,500,000	27,200,000	14,155,000	19	2,980,000	4
1977	73,300,000	24,894,000	13,194,000	18	1,466,000	2
1976	71,114,000	21,989,000	12,094,000	17	505,000	1
1975	69,600,000	19,900,000	11,136,000	16	N/A	N/A

Source: CableProFile Data Base, INTERNATIONAL COMMUNICATIONS RESEARCH.

Cable barometer

Television households (TVHH)	87,800,000
Homes passed by cable (HP)	69,632,000
Percent of TVHH passed by cable	79.3%
Basic cable subs	41,772,000
Percent of TVHH with basic cable	47.5%
Percent of HP with basic cable	59.9%
Pay cable subs	24,101,000
Percent of TVHH with pay cable	27.4%
Percent of HP with pay cable	34.6%
Percent of basic subs with pay cable	57.6%

Satellite lineup

Satcom III-R (RCA Americom)

	Transponder
Arts & Entertainment	24
BET	20
Cable Radio Network	4
Cable Value Network	18
Cinemax (West)	23
ESPN (Blackout)	7
Electra	6
Eternal Word Television Network	18
Financial News Network	4
Genesis Storytime	3
HBO (West)	13
Home Shopping Network	22
The Learning Channel	2
Lifetime	17
MTV	11
National Jewish Television	18
Nickelodeon	1
PTL	2
QVC Network	8
Reuter Monitor Service	18
Showtime (West)	10
Tempo Sound	6
Tempo Television	6
Tempo Text	6
TV Decisions	24
Trinity Broadcasting Network	3
USA Network (West)	9
Video Hits One	15
Viewer's Choice	5
The Weather Channel	19

Satcom IV (RCA Americom)

	Transponder
Alternate View Network	10
American Movie Classics	10
Bizner	6
Bravo	2
Consumer Discount Network	20, 24
Hit Video USA	18
Home Shopping Network 2	1
Home Sports Entertainment	11
Home Team Sports	22
Liberty Broadcasting Network	7
Madison Square Garden	6
New England Sports Network	13
Nickelodeon (West)	4
Nostalgia Channel	21
The Playboy Channel	24
Prime Ticket	20
Rock Christian Network	3
The Silent Network	23V
SportsVision	9
WPIX—New York	19

Westar III (Western Union)

	Transponder
CNN	5

Westar IV (Western Union)

	Transponder
Atlantic City Horse Racing	6
Cable News Network (CNN)	16
Catholic Telecommunications Network of America	11
National Christian Network	2
International Television Network	10D
Public Broadcasting Service	15, 17, 21, 23
Texas State Network	2
Word of Faith Satellite Network	6

Westar V (Western Union)

	Transponder
Fantasy Unrestricted Network (FUN)	24
FUN Weekend Pay-per-view	24
Moody Broadcasting Network	7D
Pro-Am Sports System (PASS)	14
The University Network	2
Zephyr Weather Information Service	7D

Telstar 303 (AT&T)

	Transponder
American Extasy	19
Country Music Television (CMTV)	18
KTVT (Dallas)	22
SelecTV	13

Galaxy I (Hughes)

	Transponder
CBN Cable Network	11
Cinemax (East)	19
CNN	7
C-SPAN	13
The Discovery Channel	22
The Disney Channel (East)	4
(West)	24
Electra	18
EPG	3
ESPN	9
GalaVision	20
HBO (East)	23
Headline News	8
The Movie Channel (East)	10
(West)	14
The Nashville Network	2
PTL	17
Request Television	12
Seeburg Adult Contemporary	3
Seeburg Contemporary Instrumental	3
Showtime (East)	5
SIN	6
Tempo Text	18
USA Network (East, Central)	21
Viewer's Choice 2	16
WGN	3
WOR-TV	15
WTBS	18

Galaxy III

	Transponder
The Meadows Racing Network	17
Sky Merchant	11

Spacenet I (GTE)

	Transponder
ACTS	15

Note: A company name in parentheses designates the transponder owner. Source: International Thomson Communications Inc.

Top 100 MSOs

Rank	Multiple system operator	Basic subs	
1	Tele-Communications Inc	4,189,000	(12/86)
2	American Television and Communications Corp	2,888,957	(3/87)
3	Heritage Communications Inc	1,856,000	(3/87)
4	Continental Cablevision	1,413,000	(1/87)
5	Storer Cable Communications	1,394,000	(2/87)
6	Cox Cable Communications	1,355,195	(1/87)
7	Warner Cable Communications Inc	1,309,000	(1/87)
8	Comcast	1,234,536	(2/87)
8	United Cable	1,090,510	(2/87)
10	Newhouse Broadcasting	1,024,948	(3/87)
11	Viacom Cablevision	968,000	(1/87)
12	Jones Intercable	895,565	(3/87)
13	Times Mirror Cable Television Inc	847,009	(1/87)
14	Sammons Communications Inc	824,627	(2/87)
15	UA Cablesystems Corp	753,363	(12/86)
16	Cablevision Systems Corp	687,000	(12/86)
17	Century Communications Corp	600,000	(12/86)
18	Paragon Cable	571,663	(3/87)
19	Rogers Cablesystems Inc	535,207	(2/87)
20	Centel Cable	491,350	(2/87)
21	Telecable Corp	489,437	(11/86)
22	Daniels & Associates	472,876	(12/86)
23	Cable Vision Industries	457,077	(12/86)
24	American Cablesystems Corp	437,027	(2/87)
25	McCaw Communications	434,444	(12/86)
26	Adelphia Communications	430,076	(3/87)
27	Scripps-Howard	390,000	(3/87)
28	Falcon Cable	379,000	(2/87)
29	Post-Newsweek	370,387	(2/87)
30	Wometco Cable TV Inc	356,820	(1/87)
31	TCA Group	351,564	(2/87)
32	Prime Cable Corp	318,204	(1/87)
33	Multimedia Cablevision	294,804	(3/87)
34	Colony Communications Inc	259,310	(2/87)
35	Maclean Hunter Cable TV Ltd	250,215	(2/87)
36	Lenfest Group	233,806	(12/86)
37	Western Communications	230,000	(1/87)
38	Tele-Media	215,000	(7/86)
39	Communications Service Inc	210,000	(12/86)
40	Rifkin & Associates	200,000	(1/87)
41	Service Electric Cable TV Inc	195,000	(3/87)
42	TKR Cable Co	186,139	(1/87)
43	TCI-Taft	181,318	(1/87)
44	Cencom Cable	174,416	(3/87)
45	Hauser Communications Inc	165,000	(12/86)
46	Adams-Russell Communications	159,306	(3/87)
47	Harte-Hanks Communications	150,144	(12/86)
48	Harron Communications	148,412	(12/86)
49	Greater Media	146,409	(12/86)
50	Media General Inc	145,598	(2/87)
51	Palmer Communications	141,263	(2/87)
52	Marcus Communications	141,052	(3/87)
53	Armstrong Utilities	138,651	(3/87)
54	Sutton Capital Corp	137,798	(1/87)
55	Televents Inc	129,801	(2/87)
56	Blade Communications	128,067	(2/87)
57	The Essex Group	116,346	(3/87)
58	Summit Communications	115,568	(1/87)
59	First Carolina Communications Inc	114,104	(1/87)
60	U.S. Cable Corp	111,190	(2/87)
61	Sonic Communications	110,000	(3/87)
62	Multi-Channel TV Cable Inc	109,822	(2/87)
63	Simmons Communications	109,100	(2/87)
64	Columbia International	107,078	(3/87)
65	Northland Communications	103,550	(1/87)
67	Booth Communications	102,553	(2/87)
68	King Videocable	102,000	(3/87)
69	Perry Cable TV Corp	99,841	(1/87)
70	Scott Cable Communications	95,880	(2/87)
71	M.L. Media Partners	94,000	(1/87)
72	Susquehanna Broadcasting	90,630	(1/87)
73	McDonald Group	90,079	(8/84)
74	Midcontinent Cable Systems Co	88,104	(3/87)
75	James Communications	87,533	(2/87)
76	WEHCO Video	86,758	(1/87)
77	United Video Management	80,171	(2/87)
78	Bresnan Communications Co	78,170	(1/87)
79	Omega Communications	77,626	(1/87)
80	Pencor Services	76,857	(11/86)
81	C4 Media Corp	64,719	(3/87)
82	Wisconsin Cablevision and Radio Co	63,910	(1/87)
83	Selkirk Communications	63,000	(11/86)
84	Acton Corp	60,035	(1/87)
85	Mountain Cable Co	58,459	(3/87)
85	Galaxy Cablevision	56,462	(3/87)
87	Tidel Communications	55,442	(12/86)
88	Chambers Communications Corp	53,805	(3/87)
89	Masada Corp	53,503	(1/87)
90	Cardinal Communications	53,200	(2/87)
91	Insight Communications	50,000	(2/87)
92	Enstar Communications	49,674	(2/87)
93	Hearst Communications of California	49,106	(2/87)
94	State Cable TV	48,861	(2/87)
95	Helicon Corp	48,000	(11/86)
96	Joseph Gans Cable TV	46,532	(11/86)
97	Dowden Cable	45,385	(1/87)
98	Commonwealth Cable Systems	43,425	(1/87)
99	Donrey Cablevision	43,423	(1/87)
100	New England Cablevision	43,199	(2/87)

Subscriber counts are provided by MSOs and systems to International Thomson Communications Inc. Figures will be updated quarterly unless information is provided by MSOs or systems. Send updates to CableVision, Attention Cable Stats, P.O. Box 5208-T.A., Denver, CO 80217

Top 100 systems

Rank	Location	Operator	Basic subs	
1	San Diego, CA	Cox Cable	278,172	(12/86)
2	Woodbury (Long Island), NY	Cablevision Systems Corp	277,462	(1/87)
3	San Antonio, TX	Rogers	220,510	(3/87)
4	Manhattan, NY	ATC	219,600	(12/85)
5	Houston, TX	Warner	189,900	(11/86)
6	East Orange, NJ	Maclean Hunter	184,841	(10/86)
7	Puget Sound, WA	Viacom	175,000	(1/87)
8	Honolulu, HI	ATC	164,300	(12/85)
9	Phoenix, AZ	Times Mirror	157,615	(1/87)
10	Cincinnati, OH	Warner	155,100	(1/87)
11	Louisville-Jeff. Co., KY	Storer Communications	154,930	(2/87)
12	Wayne, NJ	UA Cablesystems	152,460	(2/87)
13	Englewood, CO	United Cable	151,094	(2/87)
14	Tulsa, OK	United Cable	145,757	(2/87)
15	St. Louis Co., MO	Cencom Cable	145,172	(12/86)
16	Rochester, NY	ATC	141,000	(1/87)
17	Cherry Hills, NJ	NYT	140,105	(1/87)
18	Hampton Roads, VA	Cox Cable	138,601	(12/86)
19	Hartford-Plainville, CT	United Cable	136,479	(2/87)
20	Fairfax, VA	Media General	135,098	(2/87)
21	Atlanta, GA	Prime Cable Corp	134,037	(1/87)
22	Buffalo, NY	Adelphia Communications	132,209	(12/86)
23	Jacksonville, FL	Continental	131,000	(1/87)
24	Florida Division (Orlando-Ormond Beach)	ATC	128,100	(12/85)
25	Erie County, NY	Adelphia	127,160	(3/87)
26	Seattle, WA	Tele-Communications Inc	125,000	(12/86)
27	Baltimore County, MD	Comcast	122,730	(9/86)
28	San Jose, CA	Gill Industries	119,100	(2/87)
29	Manhattan, NY	Paragon Cable	115,000	(5/86)
30	Kansas City, MO	ATC	114,600	(12/85)
31	Long Island, NY	Viacom	112,000	(1/87)
32	Austin, TX	ATC	109,700	(12/85)
33	Memphis, TN	ATC	106,900	(12/85)
34	San Francisco, CA	Viacom	106,500	(1/87)
35	Toledo, OH	Blade Communications	105,346	(2/87)
36	San Juan, PR	ML Media Partners	104,823	(11/86)
37	Pompano, FL	American Cablesystems	102,669	(2/87)
38	Warren, NJ	TKR	101,406	(2/87)
39	Dallas, TX	Heritage	100,056	(3/87)
40	Jefferson Parish-Kenner, LA	Cox Cable	96,904	(12/86)
41	Southeast Michigan	Comcast	96,454	(9/86)
42	Pinellas County, FL	Vision Cable	93,980	(1/87)
43	Wilmington, DE	Heritage	92,852	(3/87)
44	Grand Rapids, MI	UA Cablesystems	92,503	(2/87)
45	San Diego, CA	ATC	92,200	(12/85)
46	Dade-Broward, FL	Storer	91,000	(2/87)
47	Escondido, CA	Times Mirror	87,586	(1/87)
48	Wichita, KS	Multimedia Cablevision	85,324	(3/87)
49	Pittsburgh, PA	Tele-Communications Inc	85,000	(12/86)
50	Jackson-Monroe, MS	ATC	82,500	(12/85)
51	South Texas, TX	Heritage	82,013	(3/87)
52	Richmond, VA	Continental	81,403	(1/87)
53	Oakland County, MI	United Cable	81,245	(2/87)
54	Indianapolis, IN	Indianapolis Cablevision Inc	80,969	(5/86)
55	Tacoma, WA	Viacom	80,500	(2/87)
56	Boston, MA	Cablevision	79,100	(12/86)
57	Harrisburg, PA	Sammons Communications	78,864	(2/87)
58	Dover, Morristown, NJ	Sammons	78,797	(2/87)
59	Charlotte, NC	ATC	78,700	(12/85)
60	Flint, MI	Comcast Cable	78,349	(9/86)
61	Raleigh, N.C.	ATC	77,600	(12/85)
62	Baton Rouge, LA	Daniels & Assocs	77,478	(1/87)
63	Chicago, IL	Westinghouse Broadcasting	75,000	(4/86)
64	Las Vegas, NV	Prime	74,879	(1/87)
65	Greensboro, NC	ATC	74,100	(12/85)
66	South Bend, IN	Heritage	74,030	(3/87)
67	Santa Monica, CA	Century	74,000	(5/86)
68	Nashville, TN	Viacom	74,000	(1/87)
69	Allentown, PA	Service Elec	74,000	(3/87)
70	Milwaukee, WI	Warner	73,625	(2/87)
71	New Orleans, LA	Cox Cable	73,579	(12/86)
72	Orange County, CA	Times Mirror	72,863	(1/87)
73	Cleveland Heights, OH	Viacom	71,600	(1/87)
74	Columbus, OH	Warner	69,500	(1/87)
75	Contra Costa Co. CA	Televents	69,351	(2/87)
76	Akron, OH	Warner	69,055	(11/86)
77	Fayetteville, NC	ATC	69,000	(9/86)
78	Little Rock, AR	Storer	68,393	(2/87)
79	Omaha, NE	Cox Cable	67,456	(12/86)
80	Medford Complex (Boston Suburbs), MA	Warner	67,400	(11/86)
81	Des Moines, IA	Heritage	67,205	(3/87)
82	Birmingham, AL	ATC	66,200	(11/86)
83	Ocean County, NJ	Adelphia	66,051	(6/86)
84	New Haven, CT	Storer	65,595	(2/87)
85	Westchester Co., NY	UA Cablesystems	65,506	(11/86)
86	Syracuse (suburbs), NY	NewChannels Corp	64,847	(3/87)
87	St. Petersburg, FL	Paragon Cable	64,478	(5/86)
88	Cook County, IL	Continental	64,272	(3/87)
89	Indianapolis, IN	ATC	64,000	(12/85)
90	Greater Bridgeport, CT	Cablevision Co	63,780	(12/86)
91	Monterey, CA	Western Communications	63,731	(10/86)
92	Winston-Salem, N.C.	Summit	63,227	(2/87)
93	Sarasota, FL	Storer	63,207	(2/87)
94	Oklahoma City, OK	Cox Cable	63,099	(12/86)
95	Lower Fairfield Co., CT	Cablevision Co	63,028	(12/86)
96	Madison, WI	Tele-Communications Inc	63,000	(12/86)
97	Santa Barbara, CA	Cox Cable	62,268	(12/86)
98	El Paso, TX	Group W (ATC)	62,000	(9/86)
99	Lincoln, RI	Heritage	61,615	(3/87)
100	Charleston, S.C.	Storer	61,538	(2/87)